

The

Financial Connection

News You Can Use from the Financial Management Service
A Bureau of the U.S. Department of the Treasury

APRIL 2005
Vol. 14, No. 2

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Transaction Reporting System: Changing the face of collection

By Donald Evans

Today, it is more critical than ever for agencies to efficiently analyze financial and program data related to their business activity. The large number of collection mechanisms in use within the federal government can add to the challenge. That's why the **Financial Management Service** is launching the Transaction Reporting System (TRS).

TRS's goal is to bring data from diverse receipt transactions into a unified data warehouse

COLLECTION

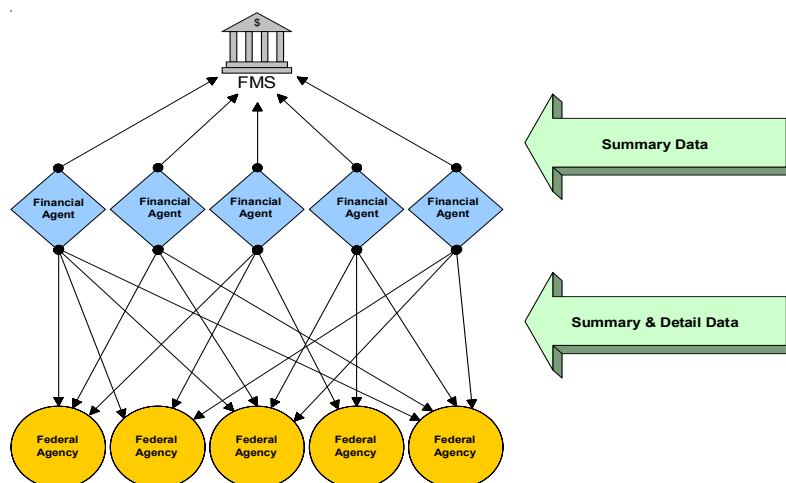
and provide agency customers a single touch point for financial and program data related to all federal receipt transactions.

From multiple connections...

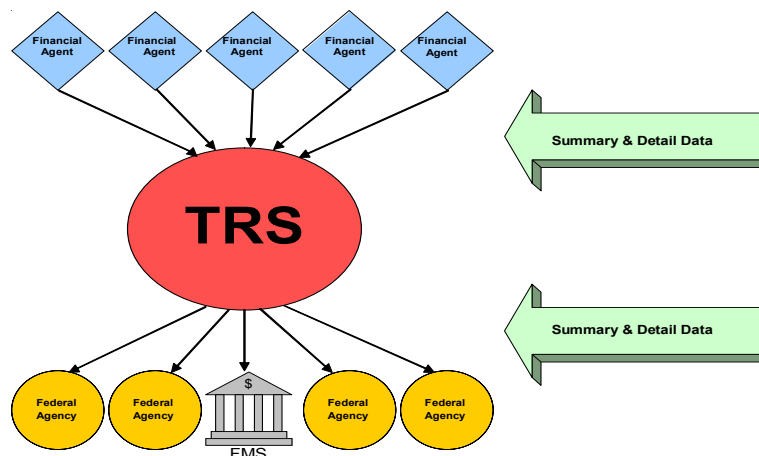
Currently, many financial institutions report receipt transaction data to both the agencies and FMS. FMS receives only summary data, while detail data is sent directly to agencies, often from multiple financial institutions for multiple collection mechanisms. This presents technical and business process inefficiencies.

What TRS will do ...

Currently, a single agency may receive transaction data from numerous sources.



TRS will create a central informational repository.



TRS Continued on page 2



...to an integrated central repository

Going forward, the direct flow of detail data from financial institutions to agencies will be phased out. All data—detail and summary—will be integrated and channeled through TRS. Financial institutions will send XML files containing detail data to TRS in a standardized format, and TRS will serve as a centralized information portal facilitating greater horizontal consistency and transparency.

TRS will enable agencies to more effectively manage information from all FMS collection systems by improving the way agencies gather, analyze and distribute data. As an enterprise data warehouse for federal receipt transactions, TRS will offer a suite of electronic information services such as data marts and business intelligence tools for agencies to use to meet their financial management and reporting requirements.

Specifically, TRS will provide:

- **Consolidated data reporting:** TRS will collect, integrate, and retain detail data related to receipt transactions as the information becomes available (i.e., batch or real time) from collection systems. TRS will receive transaction information via XML files in a standard financial schema developed to accommodate detail from all federal collection mechanisms.

- **Single touch point:** Agencies will have a single touch point for data related to receipt transactions. Data will be downloadable and viewable online based on user-selected criteria.

- **Summary and detailed data reporting:** TRS will be able to generate both standard and customized reports for agencies including daily activity reporting and analytical reports.

- **Access Control:** TRS will be accessed over the Internet utilizing comprehensive security to ensure data confidentiality and integrity.

Stakeholder Input

A wide variety of activities generates receipt transactions. FMS

The Financial Connection is published monthly by the Financial Management Service, a bureau of the U.S. Department of the Treasury. Our address is FMS, 401 14th Street SW, Room 408B, Washington, DC 20227; phone: (202) 874-6763; e-mail, melanie.rigney@fms.treas.gov. For a free subscription, please go to fmsapps.treas.gov/subscription/subscription.asp.

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will need to understand these disparate funds and information flows to build data structures, reporting capabilities, and analytical tools that provide real business value. To that end, participation by agency customers and other stakeholders is critical.

FMS and its development partner for TRS, the **Federal Reserve Bank** (FRB) of St. Louis, will be actively soliciting input from agencies this spring. Through a series of interviews with agencies and banks, FMS and FRB St. Louis plan to conduct in-depth analyses of business needs and data contents and formats to ensure that TRS is robust and business-centered.

A limited initial proof of concept release of TRS is scheduled for June 2005. In that release, TRS will be integrating data from select General Lockbox cash flows as well as the Electronic Check Processing (ECP) system. A second release, scheduled for late 2005, will support direct detail transaction reporting to a small number of agencies. Subsequent releases will incrementally integrate additional data feeds and endpoints as TRS expands to become a data warehouse and business intelligence solution to meet the needs of hundreds of agencies.

For more information about TRS, please contact Donald Evans at (202) 874-7196.



Passports, please

A pre-bid meeting for the Passport Services Lockbox was held on March 16 by Financial Management Service and State Department officials. Pictured from left are Steven Kenneally, FMS General Lockbox Network program manager; Max Aguilar, Passport Services division chief, program support; Frank Moss, deputy assistant secretary for Passport Services; Rita Bratcher, director, FMS General Revenue Collection Group, and Michael Salapka, FMS financial program specialist. The Passport Services Lockbox processes millions of applications on behalf of State annually. A review panel was hearing oral presentations in mid-April, and a final award announcement is expected in early May.

Direct deposit, e-file popularity grows among federal income tax filers

By Eleanor Kelly
and Shirley Hopkins

As the end of the 2005 federal income tax filing season draws near, 40 million taxpayers already had chosen to receive their refunds by direct deposit. That number represented a 5.7 percent increase from the same period last year. Taxpayers who opt to use direct deposit receive their refunds faster—in as few as 10 days.

Also as of March 25, 49 million taxpayers had used the **Internal Revenue Service's** (IRS) e-file for their returns. The

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number of returns filed from home computers continued to climb, up 8.6 percent compared to the same period during the previous tax filing season.

Direct deposit: fewer headaches

Direct deposit has been available for federal payments for almost 30 years and has proven to be safe, reliable and convenient. Statistics indicate that electronic transmissions also have fewer errors. Taxpayers who receive their refunds by direct deposit have significantly fewer problems than those who receive a paper check. If a problem does occur with a direct deposit payment, it usually can be resolved within 24 hours, compared with an average of 14 days for a replacement check.

IRS e-file makes gains

The e-file program is also making great strides. In 2004, Americans filed 62 million returns using IRS e-file, and learned its many benefits: free or low-cost filing;

fast, safe refunds; security; and accuracy (an error rate of less than 1 percent); electronic signatures; proof of acceptance; electronic payment options; and the ability to file both state and federal returns electronically. This year, the IRS expects that more than half of all individual returns will be e-filed.

The **Financial Management Service** works with the IRS, a **U.S. Department of the Treasury** sister agency, to promote IRS e-file and direct deposit.

Free File program expands

For the current tax filing season, the IRS expanded its Free File program that involves private software companies as partners in the Free File Alliance, LLC. The alliance offers free electronic tax return preparation and filing for qualifying taxpayers.

As of March 25 this year, 3.74 million tax returns had used the Free File process, up 43.7 percent compared with the same time a year earlier and exceeding

Taxpayers who receive their refunds by direct deposit have significantly fewer problems than those who receive a paper check. If a problem does occur with a direct deposit payment, it usually can be resolved within 24 hours.

last year's total of 3.51 million.

For more information about IRS Free File services, visit www.irs.gov, and click on the IRS e-file logo. For information about getting a tax refund by direct deposit, visit fms.treas.gov/eft/promotional/ddtaxrefund.html. For general tax information, call IRS' toll-free help line at (800) 829-1040 or visit www.irs.gov. Taxpayers can learn about the status of their refunds by visiting www.irs.gov and (click on "Where's My Refund?") or by calling (800) 829-1954.

A Winning Combination ...



Debt call center improves service for Spanish-speaking customers

By Gail Blackmon-Henderson

The Treasury Offset Customer Service (TOCS) Branch at the Birmingham Debt Management Operations Center supports the Treasury Offset Program (TOP) by managing the national call center. The center responds to phone calls and correspondence about TOP from taxpayers, paying agencies and creditor agencies.

The center coordinates the processing of information with both creditor and payment agencies to provide fair and accurate service to all federal debtors. The branch also processes all correspondence and handles claims activities resulting from offsets, including trace requests and notices of reclamations on direct deposit payments.

Since 2003, the center has experienced a dramatic increase in the number of calls from Spanish speaking customers. During the 2004 tax-filing season, the center received 46,209 Spanish calls, 54 percent more than during the 2003 tax season.

To improve customer service for Spanish-speaking customers, a special screen pop-up feature was recently implemented on a portion of the center's interactive voice response (IVR) system. This feature allows for quicker response time by customer service representatives (CSRs) and reduces the average wait time.

Spanish-speaking callers who dial the center's toll-free num-

ber, 1-800-304-3107, are directed to press 4. The screen-pop feature is activated when the caller enters his or her Social Security number (SSN). This action prompts the IVR to search for debt information based on the SSN.

HISPANIC SNAPSHOT

- The nation's Hispanic population is more than 40 million
- Hispanics represent 50 percent of the U.S. population growth since the 2000 census
- More than 28 million people speak Spanish at home; nearly half said they speak English less than "very well"

Source: U.S. Census Bureau

ber, 1-800-304-3107, are directed to press 4. The screen-pop feature is activated when the caller enters his or her Social Security number (SSN). This action prompts the IVR to search for debt information based on the SSN.

Depending on call volume, the call can be immediately routed to a Spanish-speaking CSR or held in the queue until a CSR is available. When placed in the queue, the caller is provided with wait time information and additional options.

If a Spanish-speaking CSR is not available, callers are directed to a Spanish-speaking mailbox that provides information about the offset process and additional information based on some of the most frequently asked questions.

Uncollectible debt: How to be a terminator

By Gerald Isenberg

Interest in uncollectible debt disposition is growing. Last summer, the **Office of Management and Budget (OMB)** began collecting the first of what will be annual reports from agencies about their compromise, write-down, forgiveness and discharge of indebtedness policies. The **Government Accountability Office (GAO)** has asked the **Financial Management Service (FMS)** to gather information on agencies' annual reporting to the **Internal Revenue Service (IRS)** of discharged debt (1099C reporting). And, FMS has revised its guidance on termination of collection action, write-off and close-out/discharge of indebtedness. The revision is available at www.fms.treas.gov/debt. The final guidance will be available this spring in FMS's revision of its guidance on the complete credit

and debt collection cycle, *Managing Federal Receivables*.

FMS has conducted workshops on uncollectible debt disposition for agency debt collection and accounting personnel. The workshops feature discussion of the actions required when a debt has become delinquent, the agency has attempted to collect the debt using all appropriate tools, and no further collections are anticipated.

Topics include termination of collection action; the two write-off classifications, currently not collectible and close-out; and discharge of indebtedness (1099C reporting). The workshops include an interactive review called "Who wants to be a terminator?" during which attendees demonstrate their mastery of the topics discussed.

For information about future uncollectible debt workshops, please see www.fms.treas.gov/calendar.html.



You too can learn to be a terminator of uncollectible debt.

Cash or check won't do? Consider US Debit Card

The US Debit Card program—which provides agencies with an alternative to cash, check, and third-party drafts—is proving to be an effective solution for agencies that need to deliver miscellaneous or nonrecurring payments to individuals or allow government employees access to cash in their official duties.

Debit Card advantages

Using the debit card helps agencies eliminate the potential problems that come with cash—theft, security, and lack of an audit record—and the cumbersome process of issuing and tracking

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check and third-party draft payments.

“Our focus is on understanding what the agency wants and needs to improve its work, then grafting our electronic funds transfer (EFT) goals to find that the two are compatible and make long-term, valuable and sustainable change,” says Brett Smith, Financial Management Service Debit Card program manager.

Who's using Debit Cards?

Here are some of the agencies and programs that recently began making use of this flexible payment.

- On April 1, the **U.S. Marshals Service** went live with the debit card at seven locations in Maryland, New York, Tennessee, Texas, and Wisconsin to pay for witnesses and their protection.

- The Department of Interior's **Office of International Affairs** recently wrapped up a US Debit Card pilot in Cambodia, Colombia, Ecuador, the Republic of Georgia, Guatemala, the Philippines and Tanzania. The cards are being used by invitational travelers and Interior employees who do not possess travel cards and for miscellaneous expenses for foreign participants at Interior's conferences and workshops overseas and in the United States.

- The National Institutes of Health's (NIH) **National Institute on Aging** (NIA) used the card to pay participants in a mobile van survey conducted on the streets of Baltimore. NIA's Healthy Aging in Neighborhoods of Diversity across the Life Span (HANDLS) program traditionally had used cash to incent respondents in this novel data collection. Researchers manning the mobile units are very pleased with the new payment mechanism and early reports point to a successful implementation and transition to cards versus cash payments.

For more information about the US Debit Card program, please contact Brett Smith at (202) 874-6666.

UPCOMING EVENTS

For more information about FMS events, please see www.fms.treas.gov/calendar.html.

April 14: Automated Standard Application for Payments (ASAP) Customer Board meeting, San Antonio, Texas.

May 3-5: Treasury Report on Receivables (TROR) Workshop, Chicago, Ill.

May 24: TROR Workshop, Washington, D.C.

May 24: Governmentwide Accounting Modernization Workshop, Washington, D.C.

June 14-16: TROR Workshop, Austin, Texas.

June 15-16: Kansas City Financial Center (KFC) Customer Advisory Board Meeting, Minneapolis, Minn.

